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Cattle Market Update

For the Week Ending April 24, 2015

All prices are quoted in Canadian dollars per hundredweight (\$/cwt) unless otherwise stated.

Saskatchewan Feeder Steer and Feeder Heifer Prices (\$/cwt)

Feeder Steers		300-400	400-500	500-600	600-700	700-800	800-900	900+ lb.
April 24/2015	Average	\$357.00	\$356.50	\$329.00	\$305.50	\$274.63	\$242.50	\$229.38
April 24/2015	Range	341-370	342-374	322-342	292-323	265-290	234-253	224-235
week/week	Change	\$0.83	\$7.30	-\$7.63	-\$4.50	-\$3.00	-\$7.00	\$0.71
April 17/2015	Average	\$356.17	\$349.20	\$336.63	\$310.00	\$277.63	\$249.50	\$228.67
Feeder Heifers		300-400	400-500	500-600	600-700	700-800	800+ lb.	
April 24/2015	Average	\$331.33	\$323.75	\$296.25	\$269.38	\$249.33	\$232.17	
April 24/2015	Range	320-343	311-336	285-316	257-285	240-266	224-238	
week/week	Change	-\$1.37	\$1.08	-\$4.85	-\$7.26	-\$5.34	-\$5.03	
April 17/2015	Average	\$332.70	\$322.67	\$301.10	\$276.64	\$254.67	\$237.20	

Source: CanFax

Note: Prices are determined from Saskatchewan auction marts' reports of sale results from Thursday of the previous week to Thursday of the current week. N.A. means not available due to lack of sufficient data.

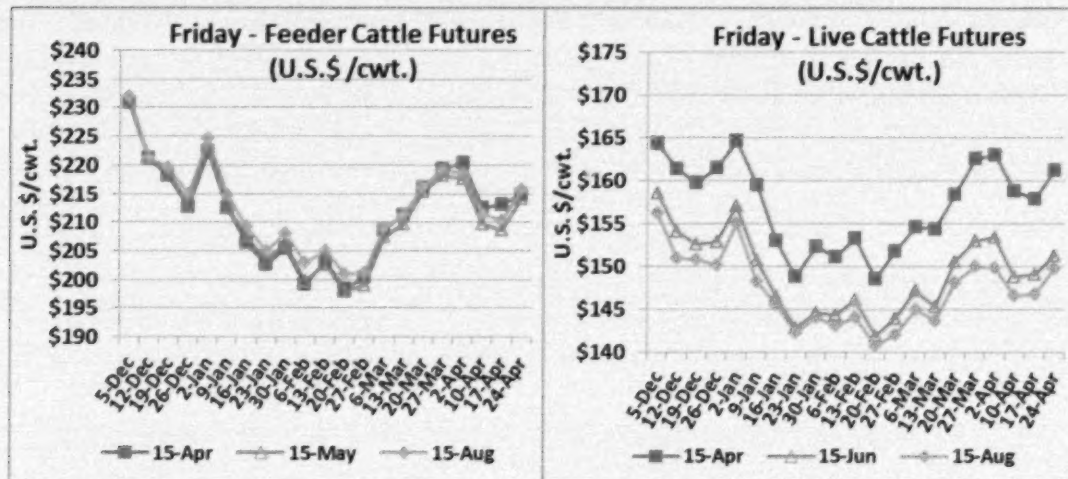
Canfax reported that a total of 11,735 head of cattle were sold in Saskatchewan this week, down from 13,129 head marketed the previous week. Saskatchewan feeder cattle prices were mixed but overall lower on futures market weakness early in the week and the higher value of the Canadian dollar.

Saskatchewan feeder steer prices were mixed over the week but on average declined about \$2 per cwt. Prices ranged from \$7.63 per cwt lower to \$7.30 per cwt higher. Prices in the 400-500 lb. weight category had the biggest gain over the week increasing \$7.30 per cwt while prices in the 500-600 lb. weight category had the largest losses. The 400-500 lb. and 900+ lb. feeder steer weight categories managed to establish new all-time high record prices over the week.

Feeder heifer prices were primarily lower over the week and on average declined close to \$4 per cwt. Feeder heifer prices ranged from \$7.26 per cwt lower to \$1.08 per cwt higher. The 400-500 lb. weight category had the only gain while the 600-700 lb. weight category had the largest loss.

The Saskatchewan 750 lb. feeder steer basis compared to the April 23, 2015, U.S. feeder cattle index at US\$212.97 per cwt was calculated at +\$15.45 per cwt (US\$212.97/0.8217-\$274.63), a basis improvement of \$6.19 per cwt from +\$9.26 per cwt on April 16, 2015. Saskatchewan cattle were again trading at a premium to U.S. feeder cattle this week, which is very uncharacteristic.

Feeder cattle futures prices were mixed over the week, down early and recovering strong Thursday and Friday to end the week higher, week-over-week. The nearby April contract increased \$1.850 per cwt to settle Friday at US\$214.850 per cwt. The May contract increased US\$5.550 per cwt to settle Friday at US\$214.075 per cwt, while the August contract increased US\$5.475 per cwt to settle Friday at US\$215.675 per cwt.



Source: CME

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Live cattle futures prices were mixed over the week lower early and recovering later in the week to end the week higher, week-over-week. The April contract increased US\$3.375 per cwt over the week to settle Friday at US\$161.175 per cwt. The June and August contracts increased US\$2.200 per cwt and US\$3.050 per cwt respectively to settle Friday at US\$151.200 per cwt for the June contract, and US\$149.725 per cwt for the August contract.

Iowa cash corn prices were lower over the week declining 15 cents per bushel to end Friday at US\$3.49 per bushel. Daily U.S. corn futures prices lower all week to end the week lower, week-over-week. The May 2015 corn contract declined over 15 cents to settle Friday at \$3.64½ per bushel, while the July declined 17 cents to settle Friday at US\$3.69¼ per bushel.

Fed and Non-fed Cattle

	April 24	April 17	Change over Week
<u>Steers (Alberta)</u>			
Live	202.13	201.43	+0.70
Rail	333.00-338.50	334.50-336.50	-1.5/+2.0
<u>Cows (Alberta)</u>			
D1,2 Live	148.17	151.17	-3.00
D3 Live	131.17	129.50	+1.67
Rail	282-287	281-286	+1.00

Source: Canfax. (n/a = not available, n/c = no change)

Prices for live weight, non-fed cattle in Alberta were mixed over the week. The price of D1,2 slaughter cows declined \$3.00 per cwt to average \$148.17 per cwt, while the price of D3 slaughter cows increased \$1.67 per cwt to average \$131.17 per cwt.

Cash fed prices in Western Canada for Alberta fed steer prices were reported to average \$202.13 per cwt, up \$0.70 per cwt from \$201.43 per cwt the previous week. The higher prices over the week for Alberta fed steers established another new all-time high record price.

On April 24, 2015, the United States Department of Agriculture (USDA) released the monthly *Cattle on Feed Report* for April 1, 2015.

April 1, 2014 and 2015, Cattle on Feed (in U.S. feedlots with 1,000+ capacity)			
	2014	2015	Per cent of previous year
On feed March 1	10,716,000	10,688,000	99.7
Placed during March	1,801,000	1,809,000	100.4
Marketed during March	1,660,000	1,631,000	98.3
Other disappearance during March	65,000	69,000	106.2
On feed April 1	10,792,000	10,797,000	100.0

Source: USDA

The USDA Cattle on Feed (COF) report indicated that the number of cattle placed on feed in March 2015 was 1.809 million head, up 0.4 per cent from 1.801 million head in March 2014, and up 16.6 per cent from 1.551 million head in February 2015. The number of fed cattle marketed in March 2015 was 1.631 million head, down 1.7 per cent from 1.660 million head in March 2014, but up 7.6 per cent from 1.516 million head marketed in February 2015. The March cattle placements were about five per cent above the average trade estimates (95.6) while the cattle marketed in March were slightly above the average trade estimates (98.1). The cattle on feed for April 1, 2015 were estimated at 10.797 million head, slightly above the April 2014 inventory numbers, and about one per cent above the March 2015 numbers. The average trade estimates were expecting (99.0) while actual numbers were about one per cent above. The biggest surprise in the report was likely the March cattle placements which were almost five per cent higher than average trade estimates. The cattle marketed in March and cattle on feed as of April 1 were higher than average trade estimates, though not significantly different, but still higher. The report will likely be viewed as slightly bearish and could negatively affect futures market prices.

The live (FOB feedlot) weighted average 5-area (Texas/Oklahoma/New Mexico, Kansas, Nebraska, Colorado and Iowa/Minnesota) weekly fed steer price in the U.S. was reported at US\$159.18 per cwt, down US\$2.47 per cwt from US\$161.65 per cwt from the previous week, but up US\$12.84 from US\$146.34 per cwt the same week a year ago. The dressed (delivered basis) price for U.S. steers delivered to plants in the 5-area was reported at US\$255.84 per cwt, down US\$0.93 per cwt from US\$256.77 per cwt the previous week, but up US\$20.76 per cwt from US\$235.08 per cwt the same week a year ago.

Average beef cutout values (Choice 600-900 lb.) for the week ending April 25 averaged US\$259.20 per cwt, up slightly from US\$259.02 per cwt from the previous week, and up 11.8 per cent from US\$231.91 per cwt the same week a year ago.

U.S. beef production for the week ending April 25, totaled 442.0 million lb., up 2.0 per cent from 433.2 million lb. the previous week, but down 5.1 per cent from 465.9 million lb. the same week a year ago. Cattle slaughter numbers were 544,000 head, up 2.1 per cent from 533,000 head the previous week, but down 7.7 per cent from 590,000 head the same week a year ago.

USDA released the latest U.S. cold storage numbers on April 22. The United States' beef stocks in cold storage totaled 479.8 million lb. on March 31, 2015, down 2.4 per cent from 491.8 million lb. on February 28, 2015, but up 18.2 per cent from 405.8 million lb. on March 31, 2014.

Friday Price Information

Product	This Week (April 24)	Week of: (April 17)
Canadian Dollar (closing rate US\$)	.8217	.8178
U.S. Cash Cattle		
Thurs. Feeder Cattle (FC) Index (US\$ per cwt)	212.97	219.47
Seven-day Weighted Average FC Index Wt. (lb.)	778	768
Live Fed 5-area Steer Price (US\$ per cwt)	159.18	161.65
Feed Grains		
Barley Lethbridge (\$/tonne)	216.00	218.00
(\$ per bu.)	4.70	4.75
Corn Iowa State Average (CDN\$/tonne)*	167.21	175.23
(US\$ per bu.) (current Wed. price)	3.49	3.64
Omaha, NE (CDN\$/tonne)*	177.75	179.56
(US\$ per bu.)	3.71	3.73
Futures		
May Corn (US\$ per bu.)	3.64½	3.79¾
July Corn (US\$ per bu.)	3.69¾	3.86¾
April Live Cattle (US\$ per cwt)	161.175	157.800
August Live Cattle (US\$ per cwt)	149.725	146.675
April Feeder Cattle (US\$ per cwt)	214.850	213.000
August Feeder Cattle (US\$ per cwt)	215.675	210.200

Sources: Bank of Canada, Iowa Department of Agriculture and Land Stewardship, Chicago Mercantile Exchange (CME), ICE Futures Canada and USDA Livestock & Grain Market News
 * conversion to CDN\$ is based on Friday's CDN\$ closing rate

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